2001-02 Annual Report

Multistate Tax Commission

States Working Together Since 1967....To preserve Federalism and Tax Fairness

July 1, 2002

To the Honorable Governors and State Legislators of Member States to the Multistate Tax Commission

One of the principal purposes of the Multistate Tax Commission is to bring greater equity, uniformity and compatibility to the tax laws of the various states of this nation and their political subdivisions as those laws affect multistate and multinational businesses. Additionally, the Commission provides both industry and states an organization within which to discuss and resolve their tax problems. The Commission also assists the States in encouraging multistate and multinational businesses to comply properly with state and local tax laws and, in turn, advocates improvements in laws, rules and practices that make it easier and more convenient for those businesses to comply. Finally and fundamentally, the Commission works to help protect the tax sovereignty and jurisdiction of States under the U.S. Constitution so that the role of the States in our democratic systems of federalism remains vital and strong.

I respectfully submit to you the Annual Report of the Multistate Tax Commission. This report covers the Commission's activities for the fiscal year beginning July 1, 2001 and ending June 30, 2002.

Respectfully submitted,

Dan R. Bucks
Executive Director

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Report of the Audit Committee and Audit Program

Rich Schrader, Chair
John Feldmann, Vice Chair
Les Koenig, Director, MTC Joint Audit Program

The following report reflects the activities of the MTC Audit Committee and the Audit Program for 2001-2002 fiscal year.

The MTC Audit Committee met three times during the fiscal year. During the Annual Meeting, the Audit Committee reviewed the past year MTC audit activity. The Audit Committee also discussed ways to expand cooperative joint auditing but no conclusions were reached at this meeting.

During the October 30, 2001 meeting, the Audit Committee approved the final plan for a new audit selection process. The revised Audit Nomination Forms were distributed at this meeting to start the new selection process. The Committee Members thought the new selection process would be beneficial.

Kathleen Stewart was named as an MTC consultant to conduct a study on joint cooperative auditing. A Task Force was appointed by the Chair of the MTC to assist Kathleen in her work. Carol Fischer was named as chair of this Task Force and 6 additional members were appointed to serve on this committee.

During the March meeting, the Audit Committee selected 9 income and 9 sales tax audits for the MTC Audit Program inventory. The Audit Committee was pleased how the new process worked. The Task Force on cooperative joint auditing also met in March to provide guidance to Kathleen Stewart in preparing her surveys to be distributed to the states.

The Audit Committee also met 4 times by teleconference to receive updates on all the audits in progress.

Lastly, the Audit Committee reviewed the MTC Audit Program's audit activity at each meeting and offered advice on many complex audit issues that were found in various audits.

Productivity

The Audit Staff completed 13 sales tax audits for the fiscal year end 6/30/02. There are currently 24 sales tax audits in progress two of which are nexus audits referred from the National Nexus Program. The Audit Staff completed 7 income tax audits during this fiscal year. There are currently 25 income tax audits in progress.

The MTC Audit Program has increased the productivity of its audit work by over 65% since 1989, as measured by the number of staff hours per audit per state. In 1989, an MTC audit required 168 hours of staff time per audit per state. In 2002, that number was only 56. That represents improved efficiency for both states and taxpayers, who also benefit when tax auditors spend less time completing an audit.

Please note in interpreting the enclosed charts on productivity that declining numbers represent improvement.

Staffing

The MTC Audit Program had no resignations during the year and remained fully staffed. The New York Office relocated to Pearl River, New York during May to save on rent expense. This move was precipitated by the escalating costs of rents in Manhattan. Had the MTC stayed in Manhattan rent expense would have increased by up to $10,000.

Automation

The MTC is pursuing electronic records in every audit that is commencing. The MTC Sales Tax Auditors request electronic records when an audit begins. Several taxpayers have been cooperative in supplying the records. However, many taxpayers are still reluctant to supply electronic records. Every effort is made to assure the taxpayer that electronic records will be held in all confidentiality.

Training

Harold Jennings was appointed MTC Training Coordinator with 40% of his time and budget devoted to training development for the states. The balance of Harold's time and budget will be used to assist and supervise computer assisted auditing.

Note: Declining numbers on the following charts represent improvement

Audit Hours Analysis

Fiscal Year 2001-2002

SALES TAX	FISCAL YEAR QUARTER ENDING				
	Sep '01	Dec ' 01	Mar '02	Jun '02	Total
Total Completed Audits	2	1	3	7	13
Total States Audited	23	13	41	82	159
Total Hours	1,571	478	2,140	4,661	8,850
Average Hours Per State	68	37	52	57	56

INCOME TAX	FISCAL YEAR QUARTER ENDING				
	Sep '01	Dec ' 01	Mar '02	Jun '02	Total
Total Completed Audits	0	0	1	6	7
Total States Audited	0	0	18	148	166
Total Hours	0	0	221	9,175	9,396
Average Hours Per State	0	0	13	62	57

INCOME AND SALES TAXES	FISCAL YEAR QUARTER ENDING				
	Sep '01	Dec ' 01	Mar '02	Jun '02	Total
Total Completed Audits	2	1	4	13	20
Total States Audited	23	13	59	230	325
Total Hours	1,571	478	2,361	13,836	18,246
Average Hours Per State	68	37	40	60	56

Trends in Productivity

Fiscal Year 1989-90 through 2001-02

SALES TAX	FISCAL YEAR ENDING													
	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Completed Audits	9	9	8	9	14	13	15	13	14	10	16	11	14	13
Total States Audited	85	88	79	104	146	140	152	123	143	97	184	102	158	159
Total Hours	12,393	8,866	7,069	12,209	14,323	6,818	8,009	9,746	11,349	7,721	7,438	9,062	11,900	8,850
Average Hours Per State	146	101	89	117	98	49	53	79	79	80	80	89	75	56

INCOME TAX	FISCAL YEAR ENDING													
	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Completed Audits	12	4	9	7	12	9	9	9	10	9	7	10	8	7
Total States Audited	112	37	95	75	132	93	99	111	152	120	186	251	131	166
Total Hours	20,679	7,211	12,646	11,148	11,208	9,016	9,284	7,548	12,249	10,012	10,060	13,133	8,684	9,396
Average Hours Per State	184	195	133	148	85	97	94	68	81	83	55	52	66	57

INCOME AND SALES TAXES	FISCAL YEAR ENDING													
	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Completed Audits	21	13	17	16	26	22	24	22	24	19	23	21	22	20
Total States Audited	197	125	174	179	278	233	251	234	295	217	370	353	289	325
Total Hours	33,072	16,077	19,715	23,357	25,531	15,834	17,293	17,294	23,598	17,733	17,498	22,195	20,584	18,246
Average Hours Per State	168	129	113	130	92	68	69	74	80	82	48	63	71	56

Report of the Litigation Committee and MTC Legal Activities

We report here on the activities of the Litigation Committee and the legal activities of the Multistate Tax Commission for fiscal year 2001-2002.

Litigation Committee

The Litigation Committee met twice this past year, at the annual meeting in Bismarck, ND and in Tucson, AZ in March. At the Bismarck meeting, Jack Van Coevering from Michigan took over as the Chair of the Committee and Marshall Stranburg from Florida as the vice-chair. The Committee continued its informational and educational function, holding a number of mini-seminars. In Bismarck, Brian Toman, Deborah Mayer and Paull Mines discussed Business Income after *Hoechst Celanese* and Alan Friedman and Dave Woodgerd talked about the MTC Mediation provisions in general and in a particular case. In Tucson, Clark Snelson and Mark Wainwright gave an overview of Class Actions; Marshall Stranburg discussed possible defenses and strategic concerns and Jack Van Coevering, Paull Mines and Roxanne Bland discussed legislation. Linda Shely, Director of Lawyer Ethics for the Arizona State Bar gave an informative seminar on Ethics for Public Attorneys, and Marshall Stranburg briefly discussed Enforcement of Tax Judgments in Other States. The Committee continues to discuss methods of cooperation among states and a coordinated, strategic approach to litigation

The Supreme Court continues largely to ignore state and local taxation issues. It has continued to develop its federalism jurisprudence, ruling in *Federal Maritime Commission v. South Carolina State Ports Authority* that the Eleventh Amendment bars federal jurisdiction over private party litigation against states, even in the context of federal executive agency administrative adjudications. And yet, the Court continued once again on the last day of its term to deny certiorari on a 4-R Act case raising this same Eleventh Amendment issue.

Legal Activities of the Commission

➤ Formal Court Appearances

The Commission filed two *Amicus Curiae* Briefs in the United States Supreme Court during this period. In *Rylander v. Dow Chemical Company*, the Commission supported Texas's petition to challenge the validity and extent of Supreme Court decision in *Todd Shipyards* which purports to block states from taxing insureds for independently procured insurance from out of state. In *Goldberg v. Ellett*, the Commission wrote in support of California's Petition for Certiorari to challenge federal court jurisdiction to enjoin California from collecting tax allegedly discharged in a bankruptcy proceeding in which California did not take part.

➤ Promoting Uniformity

The Legal Division continues to staff the Uniformity Committee and participate broadly in the uniformity effort of the Commission. Staff acted as hearing officers for uniformity proposals concerning sales and use tax priority for construction inventory, definition of business income, and composite returns for pass-through entities. The sales and use tax priority project has now begun discussions in committee on leasing transactions and services.

In addition, the Legal Division has participated in the promotion of uniformity by supporting various electronic commerce issues. It continues its involvement with the Streamlined Sales Tax Project as it moves into the governance stage. It continued work on implementation of the Mobile Telecommunications Sourcing Act, helping States develop legislation and approving a uniformity proposal for database certification standards.

Federal Legislative and Executive Issues

The Legal Division with the Commission's Legislative Consultant monitors proposed federal legislation that has the potential to impact the fundamental assumptions of our federal system: both the States and the Federal Government each have separate spheres of responsibility and a resulting need to raise revenue to discharge that responsibility. Legislation that has been monitored during the past year includes business activities tax nexus, electronic commerce, and abusive tax shelter monitoring and restriction.

➤ Communications about State Efforts to Change State Tax Systems to Meet Changing Economic Conditions

Personnel from the Legal Division are a source of spokespersons from the MTC to communicate about the activities of the Commission with third parties, including business leagues, professional associations, government associations, educational symposiums and publications. Frank Katz participated in two debates on the appropriate nexus standard for Business Activity Taxes, one with Mark Nebergall of the Internet Tax Fairness Coalition in front of the American Bar Association State and Local Tax Division and one with Mike Sontag at the Federation of Tax Administrator's Annual Meeting. Roxanne Bland made a presentation on the role of the MTC to the AGN International, a worldwide association of separate and independent accounting and consulting firms.

➤ Administration of the Commission

The Legal Division acts as the legal advisor on issues that arise in the context of the administration of the Commission, a separately organized state instrumentality. These issues include the full gamut of what one would expect for any organization, *e.g.*, leases, contracts, and personnel matters.

➤ Support of Other Functions of the Commission

The Legal Division provides legal support to other functions of the Commission, including the Joint Audit Program and the National Nexus Program. During the past year, Legal Division support of the Joint Audit Program has focused on the continued resistance of some taxpayers to cooperate in an examination of their records. The Legal Division has stood ready to apply to the courts for judicial enforcement of its examination powers where taxpayer resistance is not justified. This readiness has so far been successful in persuading taxpayers to comply in face of the realization that judicial enforcement could lead to production of considerably more pertinent evidence than would otherwise be discovered with initial cooperation. The Legal Division has also supported the Joint Audit Program's examination of several nexus issues with the possibility of establishing clear judicial authority for taxpayer examinations under the Due Process Clause, even where Commerce Clause nexus may not be an in indisputable conclusion under current law.

➤ Technical Support of States

The Legal Division similarly continues to provide technical support to the States in issues affecting state taxation of multijurisdictional commerce. Recent issues include 11th Amendment restrictions, nexus issues, state/tribal issues, the definition of unitary business, business income issues and the reach of Commerce Clause discrimination claims.

Report of the Nexus Committee and Nexus Program

Joseph Thomas, Chair, MTC Nexus Committee
Carla Ward, Vice Chair, MTC Nexus Committee
Sheldon H. Laskin, Director, MTC Nexus Program

The following report reflects the activities of the MTC Nexus Committee and the Nexus Program for the 2001-2002 fiscal year.

Nexus Committee

The MTC Nexus Committee met three times during the fiscal year. During the Annual Meeting, the Nexus Committee reviewed the past year MTC Nexus activity. The Nexus Committee also approved two compliance initiatives which were reported to the Executive Committee at its meeting in Madison.

During the October 30, 2001 meeting, the Nexus Committee approved the final Nexus workplan that was drafted with the assistance of MTC consultant June Zivley. The Nexus Program implemented the plan during the course of the year.

During the year, the Nexus Committee performed much of its work through a number of working groups and subcommittees. One working group recommended that the MTC conduct an income tax audit of a major multistate retailer. The Audit Committee approved the audit at the annual meeting.

The Nexus Clearinghouse Database Advisory Committee met several times during the year to begin work, in consultation with the MTC Technology Committee, to design and implement an Internet-based MTC clearinghouse database.

The MTC Combined Registration Committee met throughout the fiscal year. The committee drafted and published a proposal for the development of an MTC online combined tax registration system. The proposal was published on the MTC and FTA websites and distributed to vendors. Shortly before the annual meeting, one vendor submitted a preliminary proposal to NNP Director Sheldon Laskin. The vendor will shortly finalize the proposal, at which time the committee will meet to consider the proposal.

Nexus Program

Voluntary Disclosures

During the past year, the National Nexus Program executed agreements with 32 taxpayers, resulting in 171 separate contracts with member states. These 171 contracts resulted in $2,834,751 in back taxes collected and $953,348 in estimated annual future collections. In addition, during this period the National Nexus Program opened 52 new voluntary disclosure cases, representing 476 separate potential contracts. These results demonstrate significant increases compared to the results in FY 2001.

Voluntary Disclosure Marketing

As part of the Nexus Program's workplan, beginning in November 2001 nexus member states distributed 1,883 MTC voluntary disclosure brochures to taxpayers making voluntary disclosures in the states. A number of taxpayers initiating MTC voluntary disclosures have mentioned receiving the brochures from the states. Staff is conducting an ongoing survey of MTC voluntary disclosants to determine how they learned of the program.

The MTC maintains an online advertisement of the disclosure program with Google. During the past fiscal year, this ad was viewed 16,239 times with 147 viewers linking to the MTC website by clicking on the ad. The cost of the ad this past year was $232.55.

In addition, MTC staff routinely discuss the voluntary disclosure program and distribute disclosure brochures during appropriate public presentations.

Nexus Data Exchange

As part of the Nexus Program workplan, in FY 2002 staff initiated a nexus data exchange program among the member states. Two quarterly lead sets have been exchanged to date. Ninety-nine companies were submitted by nineteen states as leads for the first lead set. Results of those leads are:

- Letters sent to 93 companies.
- Responses received from 24 companies.
- MTC staff sent research packet on 85 companies to states.
- Two companies have initiated voluntary disclosures through the MTC.
- To date, four states have indicated that they will be following up on the research packet.

Seventy-four companies were submitted by sixteen states as leads for the second lead set. Results so far:

- Letters sent to 71 companies (two companies were removed due to prior contact with MTC, one removed due to insufficient interest by the states).
- Currently awaiting responses from companies. Second letter will be sent on August 9.

Nexus School

During the fiscal year, MTC staff conducted nexus schools in Tucson, AZ, Charleston, SC, Seattle, WA and Rapid City, SD. Robert Glidden, former manager of the Colorado Department of Revenue's audit selection and tracking group, joined the faculty of the MTC Nexus School this year.

Clearinghouse Database

During its first full year of renewed operations, the member states exchanged 24,356 income tax and 544 sales tax records through the Clearinghouse Database.

Report of the Technology Committee

Tim Blevins, Chair, MTC Technology Committee

Since the last Annual Report, the Technology Committee has met once (Tucson, AZ) and has held several teleconferences.

What follows is a report of the activities of the Technology Committee of the Multistate Tax Commission for the fiscal year 2001-2002.

MTC Automated Systems Development: Secure Infrastructure

As part of Technology Committee Charter, the Committee is charged with and has proceeded to review and evaluate the Commission's automated systems development plans to ensure that they are sound, cost-effective, likely to achieve their objectives, and compatible with Member State systems and operations.

The MTC has the goal of becoming an e-trustworthy entity so that its Member States can conduct secure business transactions over the Internet with the MTC and among themselves. Pursuant to this goal, the MTC has initiated work to allow: a) secure e-mail among MTC staff; b) secure e-mail between MTC staff and its Member States; c) secure e-mail among the Member States; and d) secure web access for Member States.

The MTC has envisioned instituting a Public Key Infrastructure (PKI) and has contracted to use VeriSign's products and services in a pilot project to test the planned secure communications environment. This Committee is assisting the MTC with the PKI authentication process and criteria.

The second stage of the PKI implementation, Phase II, was begun this year but has not been completed. This stage involves pilot testing in three states: Idaho, Kansas, and Michigan. Phase III will incorporate all states into the PKI infrastructure.

MTC Automated Systems Development: Applications

The MTC plans to automate many programs of the Commission by developing, or having developed for it, applications that will improve the operations of the following processes:

- Membership Administration
- Contacts Administration
- Online Meeting Registration
- Online Clearinghouse Database
- Audit Selection
- Audit Administration

During the past year, priorities have been established for the applications, proposed budgets have been allocated, and business definitions have been drafted or are under discussion for each application. This Committee has provided assistance in these efforts and has helped to define a plan of action for the development of the various applications.

Multistate Combined Registration Project

The Technology Committee provided assistance in developing an RFI/Policy Statement for the Combined Registration Project and plans to review responses from potential vendors once the RFI/Policy Statement is distributed.

The purpose of the Project is to implement an online tax registration system that will enable multistate taxpayers to register for tax simultaneously in a number of jurisdictions on a "one-stop shopping" basis. The project is intended to both accommodate conventional registration under the current system, and to be easily adaptable for users of the Streamlined Sales Tax System.

During the past year, the MTC posted an invitation for proposals and a Policy Statement for the Project on the MTC Web site at *http://www.mtc.gov/TXPYRSVS/Services.htm#electronic*. At this time a vendor has expressed interest in submitting a formal proposal. The vendor, Taxware, has not yet provided the formal proposal. The MTC did provide the vendor with an updated survey of the states on issues related to participation in the Project.

Streamlined Sales Tax Project (SSTP) Review

Juli Peterson (MN) identified 6 key technology-related components of the *Streamlined Sales Tax Project*:

- Joint on-line sales and use tax registration (currently under development by the MTC Combined Registration Committee);
- Provision of a database system for tax rate calculation and tax jurisdiction determination purposes;
- Allowance of electronically-filed returns;
- Ability to claim exemptions electronically;
- Development of a uniform product classification scheme; and
- Allowance of EFT payments by both ACH debit and credit mechanisms.

The Technology Committee will continue to closely monitor the development of these components of the SSTP.

Distance Learning

The Committee was also charged with supporting the development of distance learning, such as Internet-based training, for use by the MTC as a supplement to existing training provided to state personnel by the Nexus Program and the Audit Program.

Budgeting Assistance

Finally, the Executive Director expressed his wish to engage the Technology Committee on future budgetary matters. The Technology Committee was asked to lend budgeting assistance to the Executive Director in the future to assist the MTC move in cost-effective ways in allocating their resources for technology-related components, infrastructure, and overall plans for the States more efficiently and applying the "least-cost" method of technology.

This Committee has addressed the Technology-related budget at each of its meetings and has held a teleconference specifically for the purpose of budget analysis.

The Multistate Tax Compact

Article I. Purposes.

The purposes of this compact are to:

1. Facilitate proper determination of State and local tax liability of multistate taxpayers, including the equitable apportionment of tax bases and settlement of apportionment disputes.
2. Promote uniformity or compatibility in significant components of tax systems.
3. Facilitate taxpayer convenience and compliance in the filing of tax returns and in other phases of tax administration.
4. Avoid duplicative taxation.

Article II. Definitions.

As used in this compact:

1. "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any Territory or Possession of the United States.
2. "Subdivision" means any governmental unit or special district of a State.
3. "Taxpayer" means any corporation, partnership, firm, association, governmental unit or agency or person acting as a business entity in more than one State.
4. "Income tax" means a tax imposed on or measured by net income including any tax imposed on or measured by an amount arrived at by deducting expenses from gross income, one or more forms of which expenses are not specifically and directly related to particular transactions.
5. "Capital stock tax" means a tax measured in any way by the capital of a corporation considered in its entirety.
6. "Gross receipts tax" means a tax, other than a sales tax, which is imposed on or measured by the gross volume of business, in terms of gross receipts or in other terms, and in the determination of which no deduction is allowed which would constitute the tax an income tax.
7. "Sales tax" means a tax imposed with respect to the transfer for a consideration of ownership, possession or custody of tangible personal property or the rendering of services measured by the price of the tangible personal property transferred or services rendered and which is required by State or local law to be separately stated from the sales price by the seller, or which is customarily separately stated from the sales price, but does not include a tax imposed exclusively on the sale of a specifically identified commodity or article or class of commodities or articles.
8. "Use tax" means a nonrecurring tax, other than a sales tax, which (a) is imposed on or with respect to the exercise or enjoyment of any right or power over tangible personal property incident to the ownership, possession or custody of that property or the leasing of that property from another including any consumption, keeping, retention, or other use of tangible personal property and (b) is complementary to a sales tax.
9. "Tax" means an income tax, capital stock tax, gross receipts tax, sales tax, use tax, and any other tax which has a multistate impact, except that the provisions of Articles III, IV and V of this compact shall apply only to the taxes specifically designated therein and the provisions of Article IX of this compact shall apply only in respect to determinations pursuant to Article IV.

Article III. Elements of Income Tax Laws.

Taxpayer Option, State and Local Taxes.

1. Any taxpayer subject to an income tax whose income is subject to apportionment and allocation for tax purposes pursuant to the laws of a party State or pursuant to the laws of subdivisions in two or more party States may elect to apportion and allocate his income in the manner provided by the laws of such States or by the laws of such States and subdivisions without reference to this compact, or may elect to apportion and allocate in accordance

with Article IV. This election for any tax year may be made in all party States or subdivisions thereof or in any one or more of the party States or subdivisions thereof without reference to the election made in the others. For the purposes of this paragraph, taxes imposed by subdivisions shall be considered separately from State taxes, and the apportionment and allocation also may be applied to the entire tax base. In no instance wherein Article IV is employed for all subdivisions of a State may the sum of all apportionments and allocations to subdivisions within a State be greater than the apportionment and allocation that would be assignable to that State if the apportionment or allocation were being made with respect to a State income tax.

Taxpayer Option, Short Form.

2. Each party State or any subdivision thereof which imposes an income tax shall provide by law that any taxpayer required to file a return whose only activities within the taxing jurisdiction consist of sales and do not include owning or renting real estate or tangible personal property and whose dollar volume of gross sales made during the tax year within the State or subdivision, as the case may be, is not in excess of $100,000 may elect to report and pay any tax due on the basis of a percentage of such volume and shall adopt rates which shall produce a tax which reasonably approximates the tax otherwise due. The Multistate Tax Commission, not more than once in five years, may adjust the $100,000 figure in order to reflect such changes as may occur in the real value of the dollar, and such adjusted figure, upon adoption by the Commission, shall replace the $100,000 figure specifically provided herein. Each party State and subdivision thereof may make the same election available to taxpayers additional to those specified in this paragraph.

Coverage.

3. Nothing in this Article relates to the reporting or payment of any tax other than an income tax.

Article IV. Division of Income.

1. As used in this Article, unless the context otherwise requires:

(a) "Business income" means income arising from transactions and activity in the regular course of the taxpayer's trade or business and includes income from tangible and intangible property if the acquisition, management and disposition of the property constitute integral parts of the taxpayer's regular trade or business operations.

(b) "Commercial domicile" means the principal place from which the trade or business of the taxpayer is directed or managed.

(c) "Compensation" means wages, salaries, commissions and any other form of remuneration paid to employees for personal services.

(d) "Financial organization" means any bank, trust company, savings bank, industrial bank, land bank, safe deposit company, private banker, savings and loan association, credit union, cooperative bank, small loan company, sales finance company, investment company, or any type of insurance company.

(e) "Nonbusiness income" means all income other than business income.

(f) "Public utility" means any business entity (1) which owns or operates any plant, equipment, property, franchise, or license for the transmission of communications, transportation of goods or persons, except by pipeline, or the production, transmission, sale, delivery, or furnishing of electricity, water or steam; and (2) whose rates of charges for goods or services have been established or approved by a Federal, State or local government or governmental agency.

(g) "Sales" means all gross receipts of the taxpayer not allocated under paragraphs of this Article.

(h) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any Territory or Possession of the United States, and any foreign country or political subdivision thereof.

(i) "This State" means the State in which the relevant tax return is filed or, in the case of application of this Article to the apportionment and allocation of income for local tax purposes, the subdivision or local taxing district in which the relevant tax return is filed.

2. Any taxpayer having income from business activity which is taxable both within and without this State, other than activity as a financial organization or public utility or the rendering of purely personal services by an individual, shall allocate and apportion his net income as provided in this Article. If a taxpayer has income from business activity as a public utility but derives the greater percentage of his income from activities subject to this Article, the taxpayer may elect to allocate and apportion his entire net income as provided in this Article.

3. For purposes of allocation and apportionment of income under this Article, a taxpayer is taxable in another State if (1) in that State he is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax, or (2) that State has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the State does or does not do so.

4. Rents and royalties from real or tangible personal property, capital gains, interest, dividends or patent or copyright royalties, to the extent that they constitute nonbusiness income, shall be allocated as provided in paragraphs 5 through 8 of this Article.

5. (a) Net rents and royalties from real property located in this State are allocable to this State.

(b) Net rents and royalties from tangible personal property are allocable to this State: (1) if and to the extent that the property is utilized in this State, or (2) in their entirety if the taxpayers's commercial domicile is in this State and the taxpayer is not organized under the laws of or taxable in the State in which the property is utilized.

(c) The extent of utilization of tangible personal property in a State is determined by multiplying the rents and royalties by a fraction the numerator of which is the number of days of physical location of the property in the State during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, tangible personal property is utilized in the State in which the property was located at the time the rental or royalty payer obtained possession.

6. (a) Capital gains and losses from sales of real property located in this State are allocable to this State.

(b) Capital gains and losses from sales of tangible personal property are allocable to this State if (1) the property had a situs in this State at the time of the sale, or (2) the taxpayer's commercial domicile is in this State and the taxpayer is not taxable in the State in which the property had a situs.

(c) Capital gains and losses from sales of intangible personal property are allocable to this State if the taxpayer's commercial domicile is in this State.

7. Interest and dividends are allocable to this State if the taxpayer's commercial domicile is in this State.

8. (a) Patent and copyright royalties are allocable to this State: (1) if and to the extent that the patent or copyright is utilized by the payer in this State, or (2) if and to the extent that the patent or copyright is utilized by the payer in a State in which the taxpayer is not taxable and the taxpayer's commercial domicile is in this State.

(b) A patent is utilized in a State to the extent that it is employed in production, fabrication, manufacturing, or other processing in the State or to the extent that a patented product is produced in the State. If the basis of receipts from patent royalties does not permit allocation to States or if the accounting procedures do not reflect States of utilization, the patent is utilized in the State in which the taxpayer's commercial domicile is located.

(c) A copyright is utilized in a State to the extent that printing or other publication originates in the State. If the basis of receipts from copyright royalties does not permit allocation to States or if the accounting procedures do not reflect States of utilization, the copyright is utilized in the State in which the taxpayer's commercial domicile is located.

9. All business income shall be apportioned to this State by multiplying the income by a fraction the numerator of which is the property factor plus the payroll factor plus the sales factor and the denominator of which is three.

10. The property factor is a fraction the numerator of which is the average value of the taxpayer's

real and tangible personal property owned or rented and used in this State during the tax period and the denominator of which is the average value of all of the taxpayer's real and tangible personal property owned or rented and used during the tax period.

11. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at eight times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals.

12. The average value of property shall be determined by averaging the values at the beginning and ending of the tax period; but the tax administrator may require the averaging of monthly values during the tax period if reasonably required to reflect properly the average value of the taxpayer's property.

13. The payroll factor is a fraction the numerator of which is the total amount paid in this State during the tax period by the taxpayer for compensation and the denominator of which is the total compensation paid everywhere during the tax period.

14. Compensation is paid in this State if:

(a) the individual's service is performed entirely within the State;

(b) the individual's service is performed both within and without the State, but the service performed without the State is incidental to the individual's service within the State; or

(c) some of the service is performed in the State and (1) the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the State, or (2) the base of operations or the place from which the service is directed or controlled is not in any State in which some part of the service is performed, but the individual's residence is in this State.

15. The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this State during the tax period and the denominator of which is the total sales of the taxpayer everywhere during the tax period.

16. Sales of tangible personal property are in this State if:

(a) the property is delivered or shipped to a purchaser, other than the United States Government, within this State regardless of the f.o.b. point or other conditions of the sale; or

(b) the property is shipped from an office, store, warehouse, factory, or other place of storage in this State and (1) the purchaser is the United States Government or (2) the taxpayer is not taxable in the State of the purchaser.

17. Sales, other than sales of tangible personal property, are in this State if:

(a) the income-producing activity is performed in this State; or

(b) the income-producing activity is performed both in and outside this State and a greater proportion of the income-producing activity is performed in this State than in any other State, based on costs of performance.

18. If the allocation and apportionment provisions of this Article do not fairly represent the extent of the taxpayer's business activity in this State, the taxpayer may petition for or the tax administrator may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

(a) separate accounting;

(b) the exclusion of any one or more of the factors;

(c) the inclusion of one or more additional factors which will fairly represent the taxpayer's business activity in this State; or

(d) the employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

Article V. Elements of Sales and Use Tax Laws.

Tax Credit.

1. Each purchaser liable for a use tax on tangible personal property shall be entitled to full credit for the combined amount or amounts of legally imposed sales or use taxes paid by him with respect to the same property to another State and any subdivision thereof. The credit shall be applied first against the amount of any use tax due the State, and any unused portion of the credit shall then be applied against the amount of any use tax due a subdivision.

Exemption Certificates. Vendors May Rely.

2. Whenever a vendor receives and accepts in good faith from a purchaser a resale or other exemption certificate or other written evidence of exemption authorized by the appropriate State or subdivision taxing authority, the vendor shall be relieved of liability for a sales or use tax with respect to the transaction.

Article VI. The Commission.

Organization and Management.

1. (a) The Multistate Tax Commission is hereby established. It shall be composed of one "member" from each party State who shall be the head of the State agency charged with the administration of the types of taxes to which this compact applies. If there is more than one such agency, the State shall provide by law for the selection of the Commission member from the heads of the relevant agencies. State law may provide that a member of the Commission be represented by an alternate, but only if there is on file with the Commission written notification of the designation and identity of the alternate. The Attorney General of each party State or his designee, or other counsel if the laws of the party State specifically provide, shall be entitled to attend the meetings of the Commission, but shall not vote. Such Attorneys General, designees, or other counsel shall receive all notices of meetings required under paragraph 1(e) of this Article.

(b) Each party State shall provide by law for the selection of representatives from its subdivisions affected by this compact to consult with the Commission member from that State.

(c) Each member shall be entitled to one vote. The Commission shall not act unless a majority of the members are present, and no action shall be binding unless approved by a majority of the total number of members.

(d) The Commission shall adopt an official seal to be used as it may provide.

(e) The Commission shall hold an annual meeting and such other regular meetings as its bylaws may provide and such special meetings as its Executive Committee may determine. The Commission bylaws shall specify the dates of the annual and any other regular meetings and shall provide for the giving of notice of annual, regular and special meetings. Notices of special meetings shall include the reasons therefor and an agenda of the items to be considered.

(f) The Commission shall elect annually, from among its members, a Chairman, a Vice Chairman and a Treasurer. The Commission shall appoint an Executive Director who shall serve at its pleasure, and it shall fix his duties and compensation. The Executive Director shall be Secretary of the Commission. The Commission shall make provision for the bonding of such of its officers and employees as it may deem appropriate.

(g) Irrespective of the civil service, personnel or other merit system laws of any party State, the Executive Director shall appoint or discharge such personnel as may be necessary for the performance of the functions of the Commission and shall fix their duties and compensation. The Commission bylaws shall provide for personnel policies and programs.

(h) The Commission may borrow, accept or contract for the services of personnel from any State, the United States, or any other governmental entity.

(i) The Commission may accept for any of its purposes and functions any and all donations and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any governmental entity, and may utilize and dispose of the same.

(j) The Commission may establish one or more offices for the transacting of its business.

(k) The Commission shall adopt bylaws for the conduct of its business. The Commission shall publish its bylaws in convenient form and shall file a copy of the bylaws and any amendments thereto with the appropriate agency or officer in each of the party States.

(l) The Commission annually shall make to the Governor and legislature of each party State a report covering its activities for the preceding year. Any donation or grant accepted by the Commission or services borrowed shall be reported in the annual report of the Commission and shall include the nature, amount and conditions, if any, of the donation, gift, grant or services borrowed and the identity of the donor or lender. The Commission may make additional reports as it may deem desirable.

Committees.

2. (a) To assist in the conduct of its business when the full Commission is not meeting, the Commission shall have an Executive Committee of seven members, including the Chairman, Vice Chairman, Treasurer and four other members elected annually by the Commission. The Executive Committee, subject to the provisions of this compact and consistent with the policies of the Commission, shall function as provided in the bylaws of the Commission.

(b) The Commission may establish advisory and technical committees, membership on which may include private persons and public officials, in furthering any of its activities. Such committees may consider any matter of concern to the Commission, including problems of special interest to any party State and problems dealing with particular types of taxes.

(c) The Commission may establish such additional committees as its bylaws may provide.

Powers.

3. In addition to powers conferred elsewhere in this compact, the Commission shall have power to:

(a) Study State and local tax systems and particular types of State and local taxes.

(b) Develop and recommend proposals for an increase in uniformity or compatibility of State and local tax laws with a view toward encouraging the simplification and improvement of State and local tax law and administration.

(c) Compile and publish such information as would, in its judgment, assist the party States in implementation of the compact and taxpayers in complying with State and local tax laws.

(d) Do all things necessary and incidental to the administration of its functions pursuant to this compact.

Finance.

4. (a) The Commission shall submit to the Governor or designated officer or officers of each party State a budget of its estimated expenditures for such period as may be required by the laws of that State for presentation to the legislature thereof.

(b) Each of the Commission's budgets of estimated expenditures shall contain specific recommendations of the amounts to be appropriated by each of the party States. The total amount of appropriations required under any such budget shall be apportioned among the party States as follows: one-tenth in equal shares; and the remainder in proportion to the amount of revenue collected by each party State and its subdivisions from income taxes, capital stock taxes, gross receipts taxes, sales and use taxes. In determining such amounts, the Commission shall employ such available public sources of information as, in its judgment, present the most equitable and accurate comparisons among the party States. Each of the Commission's budgets of estimated expenditures and requests for appropriations shall indicate the sources used in obtaining information employed in applying the formula contained in this paragraph.

(c) The Commission shall not pledge the credit of any party State. The Commission may meet any of its obligations in whole or in part with funds available to it under paragraph 1(i) of this Article; provided that the Commission takes specific action setting aside such funds prior to incurring any obligation to be met in whole or in part in such manner. Except where the Commission makes use of funds available to it under paragraph 1(i), the Commission shall not incur any obligation prior to the allotment of funds by the party States adequate to meet the same.

(d) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the Commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Commission.

(e) The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the party States and by any persons authorized by the Commission.

(f) Nothing contained in this Article shall be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

Article VII. Uniform Regulations and Forms.

1. Whenever any two or more party States or subdivisions of party States have uniform or similar provisions of law relating to an income tax, capital stock tax, gross receipts tax, or sales or use tax, the Commission may adopt uniform regulations for any phase of the administration of such law, including assertion of jurisdiction to tax or prescribing uniform tax forms. The Commission may also act with respect to the provisions of Article IV of this compact.

2. Prior to the adoption of any regulation, the Commission shall:

(a) As provided in its bylaws, hold at least one public hearing on due notice to all affected party States and subdivisions thereof and to all taxpayers and other persons who have made timely request of the Commission for advance notice of its regulation-making proceedings.

(b) Afford all affected party States and subdivisions and interested persons an opportunity to submit relevant written data and views, which shall be considered fully by the Commission.

3. The Commission shall submit any regulations adopted by it to the appropriate officials of all party States and subdivisions to which they might apply. Each such State and subdivision shall consider any such regulation for adoption in accordance with its own laws and procedures.

Article VIII. Interstate Audits.

1. Any party State or subdivision thereof desiring to make or participate in an audit of any accounts, books, papers, records or other documents may request the Commission to perform the audit on its behalf. In responding to the request, the Commission shall have access to and may examine, at any reasonable time, such accounts, books, papers, records, and other documents and any relevant property or stock of merchandise. The Commission may enter into agreements with party States or their subdivisions for assistance in performance of the audit. The Commission shall make charges, to be paid by the State or local government or governments for which it performs the service, for any audits performed by it in order to reimburse itself for the actual costs incurred in making the audit.

2. The Commission may require the attendance of any person within the State where it is conducting an audit or part thereof at a time and place fixed by it within such State for the purpose of giving testimony with respect to any account, book, paper, document, other record, property or stock of merchandise being examined in connection with the audit. If the person is not within the jurisdiction, he may be required to attend for such purpose at any time and place fixed by the Commission within the State of which he is a resident.

3. The Commission may apply to any court having power to issue compulsory process for orders in aid of its powers and responsibilities pursuant to this Article, and any and all such courts shall have jurisdiction to issue such orders. Failure of any person to obey any such order shall be punishable as contempt of the issuing court. If the party or subject matter on account of which the Commission seeks an order is within the jurisdiction of the court to which application is made, such application may be to a court in the State or subdivision on behalf of which the audit is being made or a court in the State in which the object of the order being sought is situated.

4. The Commission may decline to perform any audit required if it finds that its available personnel or other resources are insufficient for the purpose or that, in the terms requested, the audit is impracticable of satisfactory performance. If the Commission, on the basis of its experience, has reason to believe that an audit of a particular taxpayer, either at a particular time or on a particular schedule, would be of interest to a number of party States or their subdivisions, it may offer to make the audit or audits, the offer to be contingent upon sufficient par-

ticipation therein as determined by the Commission.

5. Information obtained by any audit pursuant to this Article shall be confidential and available only for tax purposes to party States, their subdivisions or the United States. Availability of information shall be in accordance with the laws of the States or subdivisions on whose account the Commission performs the audit and only through the appropriate agencies or officers of such States or subdivisions. Nothing in this Article shall be construed to require any taxpayer to keep records for any period not otherwise required by law.

6. Other arrangements made or authorized pursuant to law for cooperative audit by or on behalf of the party States or any of their subdivisions are not superseded or invalidated by this Article.

7. In no event shall the Commission make any charge against a taxpayer for an audit.

8. As used in this Article, "tax," in addition to the meaning ascribed to it in Article II, means any tax or license fee imposed in whole or in part for revenue purposes.

Article IX. Arbitration.

1. Whenever the Commission finds a need for settling disputes concerning apportionments and allocations by arbitration, it may adopt a regulation placing this Article in effect, notwithstanding the provisions of Article VII.

2. The Commission shall select and maintain an Arbitration Panel composed of officers and employees of State and local governments and private persons who shall be knowledgeable and experienced in matters of tax law and administration.

3. Whenever a taxpayer who has elected to employ Article IV, or whenever the laws of the party State or subdivision thereof are substantially identical with the relevant provisions of Article IV, the taxpayer, by written notice to the Commission and to each party State or subdivision thereof that would be affected, may secure arbitration of an apportionment or allocation if he is dissatisfied with the final administrative determination of the tax agency of the State or subdivision with respect thereto on the ground that it would subject him to double or multiple taxation by two or more party States or subdivisions thereof. Each party State and subdivision thereof hereby consents to the arbitration as provided herein, and agrees to be bound thereby.

4. The Arbitration Board shall be composed of one person selected by the taxpayer, one by the agency or agencies involved, and one member of the Commission's Arbitration Panel. If the agencies involved are unable to agree on the person to be selected by them, such person shall be selected by lot from the total membership of the Arbitration Panel. The two persons selected for the Board in the manner provided by the foregoing provisions of this paragraph shall jointly select the third member of the Board. If they are unable to agree on the selection, the third member shall be selected by lot from among the total membership of the Arbitration Panel. No member of a Board selected by lot shall be qualified to serve if he is an officer or employee of or is otherwise affiliated with any party to the arbitration proceeding. Residence within the jurisdiction of a party to the arbitration proceeding shall not constitute affiliation within the meaning of this paragraph.

5. The Board may sit in any State or subdivision party to the proceeding, in the State of the taxpayer's incorporation, residence or domicile, in any State in which the taxpayer does business, or in any place that it finds most appropriate for gaining access to evidence relevant to the matter before it.

6. The Board shall give due notice of the times and places of its hearings. The parties shall be entitled to be heard, to present evidence, and to examine and cross-examine witnesses. The Board shall act by majority vote.

7. The Board shall have power to administer oaths, take testimony, subpoena and require the attendance of witnesses and the production of accounts, books, papers, records, and other documents, and issue commissions to take testimony. Subpoenas may be signed by any member of the Board. In case of failure to obey a subpoena, and upon application by the Board, any judge of a court of competent jurisdiction of the State in which the Board is sitting or in which the person to whom the subpoena is directed may be found may make an order requiring compliance with the subpoena, and the court may punish failure

to obey the order as a contempt.

8. Unless the parties otherwise agree, the expenses and other costs of the arbitration shall be assessed and allocated among the parties by the Board in such manner as it may determine. The Commission shall fix a schedule of compensation for Arbitration Board members and of other allowable expenses and costs. No officer or employee of a State or local government who serves as a member of a Board shall be entitled to compensation therefor unless he is required on account of his service to forego the regular compensation attaching to his public employment, but any such Board member shall be entitled to expenses.

9. The Board shall determine the disputed apportionment or allocation and any matters necessary thereto. The determinations of the Board shall be final for purposes of making the apportionment or allocation, but for no other purpose.

10. The Board shall file with the Commission and with each tax agency represented in the proceeding: the determination of the Board; the Board's written statement of its reasons therefor; the record of the Board's proceedings; and any other documents required by the arbitration rules of the Commission to be filed.

11. The Commission shall publish the determinations of Boards together with the statements of the reasons therefor.

12. The Commission shall adopt and publish rules of procedure and practice and shall file a copy of such rules and of any amendment thereto with the appropriate agency or officer in each of the party States.

13. Nothing contained herein shall prevent at any time a written compromise of any matter or matters in dispute, if otherwise lawful, by the parties to the arbitration proceedings.

Article X. Entry Into Force and Withdrawal.

1. This compact shall enter into force when enacted into law by any seven States. Thereafter, this compact shall become effective as to any other State upon its enactment thereof. The Commission shall arrange for notification of all party States whenever there is a new enactment of the compact.

2. Any party State may withdraw from this compact by enacting a statute repealing the same. No withdrawal shall affect any liability already incurred by or chargeable to a party State prior to the time of such withdrawal.

3. No proceeding commenced before an Arbitration Board prior to the withdrawal of a State and to which the withdrawing State or any subdivision thereof is a party shall be discontinued or terminated by the withdrawal, nor shall the Board thereby lose jurisdiction over any of the parties to the proceeding necessary to make a binding determination therein.

Article XI. Effect on Other Laws and Jurisdiction.

Nothing in this compact shall be construed to:

(a) Affect the power of any State or subdivision thereof to fix rates of taxation, except that a party State shall be obligated to implement Article III 2 of this compact.

(b) Apply to any tax or fixed fee imposed for the registration of a motor vehicle or any tax on motor fuel, other than sales tax; provided that the definition of "tax" in Article VIII 9 may apply for the purposes of that Article and that the Commission's powers of study and recommendation pursuant to Article VI 3 may apply.

(c) Withdraw or limit the jurisdiction of any State or local court or administrative officer or body with respect to any person, corporation or other entity or subject matter, except to the extent that such jurisdiction is expressly conferred by or pursuant to this compact upon another agency or body.

(d) Supersede or limit the jurisdiction of any court of the United States.

Article XII. Construction and Severability.

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any State or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any State participating therein, the compact shall remain in full force and effect as to the remaining party States and in full force and effect as to the State affected as to all severable matters.

[1] Some provision should be made for all the matters covered in the enabling Act; other provisions may be added if they are needed. Material enclosed in brackets should be replaced by specific language which will accomplish the purpose intended.

Multistate Tax Compact Enactments

Forty-five States (including the District of Columbia) currently participate in the activities of the Multistate Tax Commission. The Commission currently has twenty-one Compact Members, two Sovereignty Members, and nineteen Associate Members. Three additional States are members of special MTC projects.

Compact Members

States attain full membership by enacting the Multistate Tax Compact, an interstate compact among the participating States. Compact Member States are diverse both in size and in the composition of their revenue systems.

Sovereignty Members

States join as Sovereignty Members to help shape and support the Commission's efforts to preserve state taxing authority and improve multistate tax policy and administration. These States receive benefits similar to Compact Membership but do not require enactment of the Compact.

Associate Members

The number of Associate Members has grown in recent years and represents increasing interest in the activities of the Commission. Several of the Associate Members participate in and help finance one or more of the following MTC programs and projects: Joint Audit Program, National Nexus Program, Property Tax Fairness Project, and Deregulation, Industry Change, and Taxation Project.

Project Members

In addition to the Member and Associate Member States, three other States have joined various projects of the Commission.

Compact Membership

Maine	September 19, 1997
Minnesota	July 1, 1982
District of Columbia	July 1, 1980
Alabama	October 31, 1977
South Dakota	July 1, 1976
California	January 1, 1976
Michigan	July 1, 1970
Alaska	July 1, 1970
North Dakota	July 1, 1969
Montana	July 1, 1969
Utah	May 13, 1969
Colorado	July 1, 1968
Hawaii	May 7, 1968
Idaho	April 10, 1968
Arkansas	January 1, 1968
Missouri	October 13, 1967
Oregon	September 13, 1967
Washington	August 4, 1967
Texas	August 4, 1967
New Mexico	August 4, 1967
Kansas	August 4, 1967

Sovereignty Membership

Wyoming	April 7, 2000
Florida	August 6, 2000
Kentucky	October 31, 1997
New Jersey	October 14, 1970
Louisiana	October 27, 1969

Associate Membership

South Carolina	November 18, 1998
Mississippi	November 18, 1998
Oklahoma	May 14, 1998
Illinois	April 25, 1996
North Carolina	April 28, 1995
Wisconsin	May 5, 1994
West Virginia	August 2, 1991
Connecticut	August 31, 1990
New Hampshire	October 27, 1989
Ohio	June 11, 1971
Georgia	June 11, 1971
Maryland	July 27, 1970
Tennessee	June 20, 1969
Arizona	June 7, 1968
Pennsylvania	January 23, 1968
Massachusetts	January 23, 1968

Project Membership

Iowa	Nexus
Nebraska	Audit
Rhode Island	Nexus

Multistate Tax Commission Program Participation

Programs	State Participation
Joint Audit Program	**Sales** AL, AR, CO, DC, HI, ID, KS, KY, ME, MA, MI ,MN, MO, NJ, NM, ND, UT, WA **Income** AL, AR, CO, DC, HI, ID, KS, KY, ME, MA, MN, MO, MT, NE, NJ, NM, ND, OR, UT
National Nexus Program	AL, AK, AZ, AR, CA, CO, CT, DC, FL, HI, ID, IA, KS, KY, LA, ME, MD, MA, MI, MN, MO, MT, NE, NH, NJ, NM, NC, ND, OH, OR, RI, SC, SD, TX, UT, WA, WV, WI, WY
Property Tax Fairness Project	AL, AZ, AR, CA, ID, KS, MT, ND, UT, WA
Deregulation Project	AL, AR, CO, ID, KY, MO, MT, NM, OR, WA

Representatives of Multistate Tax Commission Member States

Compact Members

Dwight Carlisle, Commissioner
AL Department of Revenue

William A. Corbus, Commissioner
AK Department of Revenue

Tim Leathers
Deputy Director and Revenue Commissioner
AR Dept. of Finance & Administration

Gerald H. Goldberg
Executive Officer
CA Franchise Tax Board

James E. Speed
Executive Director
CA Board of Equalization

Mary Michael Cooke
Executive Director
CO Department of Revenue

Daniel Black, Jr.
Deputy Chief Financial Officer
DC Office of Tax & Revenue

Grant Tanimoto, Acting Director
HI Department of Taxation

DuWayne D. Hammond Jr., Chairman
ID State Tax Commissioner

Joan Wagnon, Acting Secretary of Revenue
KS Department of Revenue

Anthony J. Neves, Executive Director
Dept. of Administration & Financial Services
ME Revenue Services

Carol Russell Fischer, Director
MO Department of Revenue

Kurt Alme, Director
MT Department of Revenue

Jan Goodwin, Secretary
NM Department of Taxation & Revenue

Rick Clayburgh
Office of State Tax Commissioner
ND Dept. of Revenue

Elizabeth Harchenko, Director
OR Dept. of Revenue

Gary R. Viken, Secretary
South Dakota Department of Revenue

Carole Keeton Strayhorn, Comptroller
TX Comptroller of Public Accounts

R. Bruce Johnson, Commissioner
UT State Tax Commission

William N. Rice, Acting Director
WA Department of Taxation

Sovereignty Members

James A. Zingale, Executive Director
FL Department of Revenue

Dana Bynum Mayton, Secretary
KY Revenue Cabinet

Cynthia Bridges, Secretary
LA Department of Revenue

Robert K. Thompson, Director
NJ Division of Taxation

Earl Atwood, Acting Director
WY Department of Revenue

Associate Members

J. Elliott Hibbs, Director
AZ Department of Revenue

Pamela Law, Commissioner
CT Department of Revenue Services

T. Jerry Jackson, Commissioner
GA Department of Revenue

Brian Hamer, Director
IL Department of Revenue

William Donald Schaefer, Comptroller
MD Comptroller of the Treasury

Alan LeBovidge, Commissioner
MA Department of Revenue

Jay Rising, State Treasurer
MI Department of Treasury

Dan Salomone, Commissioner
MN Department of Revenue

Ed Buelow Jr., Chairman and Commissioner
MS State Tax Commission

Barbara Reid, Acting Commissioner
NH Department of Revenue Administration

E. Norris Tolson, Secretary
NC Department of Revenue

Thomas M. Zaino, Tax Commissioner
OH Department of Taxation

Thomas Kemp, Chairman
OK Tax Commission

Gregory C. Fajt, Acting Secretary
PA Dept. of Revenue

Burnet R. Maybank III, Director
South Carolina Department of Revenue

Loren Chumley, Commissioner
TN Department of Revenue

Brian M. Kastick, Cabinet Secretary
WV Department of Tax and Revenue

Michael L. Morgan, Secretary
WI Department of Revenue

Project Members

Mike Ralston, Director
IA Department of Revenue

Mary Jane Egr, State Tax Commissioner
NE Department of Revenue

R. Gary Clark, Tax Administrator
Rhode Island Division of Taxation

Nonmember States

William M. Remington, Director
DE Division of Revenue

Kenneth Miller, Commissioner
IN Department of Revenue

Charles E. Chinnock, Executive Director
NV Department of Taxation

Arthur J. Roth, Commissioner
NYS Department of Taxation and Finance

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VT Dept. of Taxes

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Financial Statements and
Report of Independent Certified Public Accountants

June 30, 2002 and 2001

Linton, Shafer & Company, P.A.
Certified Public Accountants

MULTISTATE TAX COMMISSION
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Financial Statements and Report of Independent Certified Public Accountants

June 30, 2002 and 2001

Report of Independent Certified Public Accountants

Executive Committee
Multistate Tax Commission

We have audited the accompanying balance sheets of Multistate Tax Commission as of June 30, 2002 and 2001 and the related statements of revenue and expenses and changes in fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Multistate Tax Commission as of June 30, 2002 and 2001, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

September 17, 2002

MULTISTATE TAX COMMISSION
Balance Sheets
June 30,

ASSETS

	2002	2001
Current Assets		
Cash and cash equivalents	$ 2,679,101	$ 2,447,669
U.S. Treasury bills	-	497,359
Accounts receivable		
Members	-	161,072
Special projects	-	17,601
Schools	29,575	-
Prepaid expenses	39,246	41,034
Total Current Assets	2,747,922	3,164,735
Property and Equipment - at Cost		
Office furniture and equipment	976,284	899,840
Leasehold improvements	87,485	84,305
Less: accumulated depreciation and amortization	(665,993)	(660,380)
Property and Equipment - Net	397,776	323,765
Other Assets		
Expense account advances	8,200	8,200
Deposits	10,628	7,629
Total Other Assets	18,828	15,829
TOTAL ASSETS	$ 3,164,526	$ 3,504,329

LIABILITIES

	2002	2001
Current Liabilities		
Accounts payable	$ 216,726	$ 102,197
Payroll taxes withheld and accrued	35,761	31,874
Accrued salaries and vacation pay	242,582	226,584
Current portion of capital lease obligation	3,798	6,165
Deferred assessments and audit reimbursements	383,324	677,474
Total Current Liabilities	882,191	1,044,294
Long-Term Liabilities		
Capital lease obligation	7,114	-
Total Long-Term Liabilities	7,114	-
TOTAL LIABILITIES	889,305	1,044,294
Commitments and Contingencies - Note 3		
Fund Balances		
Unappropriated	1,013,713	941,045
Appropriated	736,972	926,465
Restricted	524,536	592,525
Total Fund Balances	2,275,221	2,460,035
TOTAL LIABILITIES AND FUND BALANCES	$ 3,164,526	$ 3,504,329

The accompanying notes are an integral part of these statements.

MULTISTATE TAX COMMISSION
Statements of Revenue and Expenses
and Changes in Fund Balance
Unappropriated Funds
For the Years Ended June 30,

	2002	2001
Revenue		
Assessments	$ 4,026,175	$ 3,844,009
Interest	70,695	159,451
Other income		
Training fees	108,435	157,972
Miscellaneous	2,241	44,808
Total Revenue	4,207,546	4,206,240
Expenses		
Accounting	11,540	11,300
Bonds and insurance	14,074	14,048
Conferences	108,157	140,531
Professional services	342,976	425,179
Depreciation and amortization	122,618	133,316
Employee benefits	425,130	403,896
Miscellaneous	17,844	12,048
Office supplies	60,210	60,601
Pension plan and retirement provision	275,794	263,582
Postage	40,792	42,793
Printing and duplicating	40,220	48,084
Publications and electronic resources	45,852	63,229
Recruitment	929	3,497
Rent	203,759	196,611
Repairs and maintenance	11,409	14,162
Salaries	2,276,491	2,158,036
Software licenses	15,702	-
Subscriptions, publications, dues	27,915	-
Telephone	96,702	91,807
Temporary help	-	706
Travel	349,513	379,844
Training	13,156	15,240
Transfer - training and education	(2,640)	(10,779)
Allocation of administrative expenses	(173,772)	(184,670)
Total Expenses	$ 4,324,371	$ 4,283,061

(continued)

MULTISTATE TAX COMMISSION
Statements of Revenue and Expenses
and Changes in Fund Balance
Unappropriated Funds
For the Years Ended June 30,

	2002	2001
Excess of Revenue Over (Under) Expenses	$ (116,825)	$ (76,821)
Transfer from Restricted Fund Balance		220,000
Transfer to Appropriated Fund Balance	(44,770)	(370,000)
Transfer from Appropriated Fund Balance	234,263	206,859
Total Amount Transferred	189,493	56,859
FUND BALANCE-Beginning of Year	941,045	961,007
FUND BALANCE-End of Year	$ 1,013,713	$ 941,045

The accompanying notes are an integral part of these financial statements.

MULTISTATE TAX COMMISSION
Statements of Changes in Fund Balance
Appropriated Funds
For the Years Ended June 30,

	Automation Plan	Cooperative Auditing Study	Streamlined Sales Tax Project
Fund Balance - June 30, 2000	$ 201,965	$ -	$ -
Transfer from Unappropriated Fund Balance	-	-	150,000
Transfer to Unappropriated Fund Balance	(45,333)	-	(150,000)
Net Amount Transferred (To) From Unappropriated Fund Balance	(45,333)	-	-
Fund Balance - June 30, 2001	156,632	-	-
Transfer from Unappropriated Fund Balance	-	40,000	-
Transfer to Unappropriated Fund Balance	(156,632)	(5,469)	-
Net Amount Transferred (To) From Unappropriated Fund Balance	(156,632)	34,531	-
Fund Balance - June 30, 2002	$ -	$ 34,531	$ -

Federalism At Risk	Enterprise Automation Project	Nexus Activities	Nexus Education	Membership Development and Relations	Total
$ -	$ 331,359	$ 80,000	$ -	$ 150,000	$ 763,324
-	-	220,000	-	-	370,000
-	(10,381)	-	-	(1,145)	(206,859)
-	(10,381)	220,000	-	(1,145)	163,141
-	320,978	300,000	-	148,855	926,465
124,770	100,000	(200,000)	100,000	(120,000)	44,770
(68,943)	-	-	(3,219)	-	(234,263)
55,827	100,000	(200,000)	96,781	(120,000)	(189,493)
$ 55,827	$ 420,978	$ 100,000	$ 96,781	$ 28,855	$ 736,972

The accompanying notes are an integral part of these statements.

MULTISTATE TAX COMMISSION
Statements of Changes in Fund Balance
Restricted Funds
For the Years Ended June 30,

	4R Project	Nexus Program	Deregulation	Total
Fund Balance - June 30, 2000	$ 84,694	$ 751,878	$ 97,158	$ 933,730
Revenue	-	667,689	152,037	819,726
Expenses	-	793,692	147,239	940,931
Excess (Deficiency) of Revenue Over Expenses	-	(126,003)	4,798	(121,205)
Transfer from Unappropriated Fund Balance	-	(220,000)	-	(220,000)
Fund Balance - June 30, 2001	84,694	405,875	101,956	592,525
Revenue	-	670,150	140,485	810,635
Expenses	-	775,537	103,087	878,624
Excess (Deficiency) of Revenue Over Expenses	-	(105,387)	37,398	(67,989)
Transfer to Unappropriated Fund Balance	-	-	-	-
Fund Balance - June 30, 2002	$ 84,694	$ 300,488	$ 139,354	$ 524,536

The accompanying notes are an integral part of these statements.

MULTISTATE TAX COMMISSION
Statements of Cash Flows
For the Years Ended June 30,

	2002	2001
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows From Operating Activities		
Excess of revenue over (under) expenses	$ (184,814)	$ (198,026)
Adjustments to reconcile excess of revenue over (under)		
expenses to net cash provided by (used in) operating activities		
Depreciation and amortization	128,177	138,638
Loss on disposal of property and equipment	37,196	3,000
Changes in assets and liabilities		
Accounts receivable		
Members	161,072	(144,558)
Special projects	17,601	(13,601)
Schools	(29,575)	-
Prepaid expenses	1,788	655
Deposits	(2,999)	-
Expense account advances	-	(650)
Accounts payable	114,529	(6,683)
Payroll taxes withheld and accrued	3,887	5,064
Accrued salaries and vacation pay	15,998	32,138
Deferred assessments and audit reimbursements	(294,150)	430,614
Net Cash Provided by (Used in) Operating Activities	(31,290)	246,591
Cash Flows From Investing Activities		
Purchase of U.S. Treasury bills	-	(3,922,968)
Proceeds from sale of U.S. Treasury bills	497,359	5,000,000
Purchase of property and equipment	(239,384)	(88,461)
Increase in capital lease	13,119	-
Payments on capital lease	(8,372)	(11,923)
Net Cash Provided by Investing Activities	$ 262,722	$ 976,648

(continued)

MULTISTATE TAX COMMISSION
Statements of Cash Flows
For the Years Ended June 30,

	2002	2001
Net Increase in Cash and Cash Equivalents	$ 231,432	$ 1,223,239
Cash and Cash Equivalents - Beginning of Year	2,447,669	1,224,430
Cash and Cash Equivalents - End of Year	$ 2,679,101	$ 2,447,669
Supplemental Disclosures		
Income taxes paid	$ -	$ -
Interest paid	$ 3,050	$ 569

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

Multistate Tax Commission

Notes to Financial Statements

June 30, 2002 and 2001

1. Summary of Significant Accounting Policies

The Multistate Tax Commission (the Commission) was organized in 1967. It was established under the Multistate Tax Compact, which by its terms, became effective August 4, 1967. The basic objective of the 'Compact' and, accordingly, the Commission is to provide solutions and additional facilities for dealing with state taxing problems related to multi-jurisdictional business.

Cash Equivalents

For purposes of the statement of cash flows, the Commission considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable

The Commission considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

All property and equipment is stated at cost and depreciated using straight-line and accelerated methods based upon estimated useful lives as follows:

Leasehold Improvements	5 years
Office Furniture and Equipment	5 to 7 years

Expenditures for maintenance and repairs are charged to the appropriate expense accounts as incurred. Expenditures for renewals or betterments which materially extend the useful lives of assets or increase their productivity are capitalized at cost. The costs and related allowances for depreciation of assets retired or otherwise disposed of are eliminated from the accounts. The resulting gains or losses are included in the determination of excess of revenue over expenses.

Deferred Assessments and Audit Reimbursements

Assessments and audit reimbursements are due from the respective states on July lst of each year and cover the following twelve-month period. Assessments received prior to July 1st for the following year are unearned and considered deferred income until recognized as revenue in the following year.

Income Taxes

In the opinion of legal counsel, the Commission is exempt from Federal income taxes as well as from other Federal taxes as an organization of a group of States or as an instrumentality of those States. Therefore, no provision has been made in the financial statements for Federal income taxes.

2. Pension Plan

Effective June 30, 1986, the Commission adopted a defined contribution plan to be funded at a rate of twelve percent of each participating individual's annual salary. To participate in this plan, employees are required to work more than certain pre-determined hourly and monthly levels throughout the plan year. The total pension expense relating to the defined contribution plan for the years ended June 30, 2002 and 2001 was $323,812 and $313,163, respectively.

3. Commitments

The Commission rents its office facilities in Washington, D.C., Texas, New York, and Illinois under lease agreements with terms expiring on various dates through January 31, 2008. These leases provide for the following minimum annual base rentals exclusive of utility charges and certain escalation charges:

Fiscal Year Ended	Minimum Annual Payment
2003	$276,710
2004	281,869
2005	265,142
2006	242,786
2007	233,951

The leases include certain escalation charges based on various factors including utility, operating expense and property tax increases from a base year. Rent expense, exclusive of utility charges and real estate taxes, for the years ended June 30, 2002 and 2001 was $274,847 and $263,497, respectively.

4. Appropriated Fund Balances

During the year ended June 30, 1996, the Automation Plan was established for the purpose of financing automation improvements. The automation plan would improve audit efficiency through upgraded computers and software, potentially enabling the audit program to undertake computer-assisted audits. The plan would also improve other staff operations through upgraded computers, and upgraded communications among the Commission's offices and the states, and expand training services to states through enhanced computer communications, improved presentation equipment and videoconferencing.

The Commission's executive committee authorized the Database Design fund in the amount of $73,000 during the year ended June 30, 1997. An additional $357,000 has been authorized in subsequent years. The purpose of this fund is to provide support, through professional services, for developing a database design for managing the Commission information resources in a manner that enhances its operations.

The Commission's executive committee authorized the Nexus Activities fund in the amount of $80,000 during the year ended June 30, 1997. An additional $220,000 has been authorized in subsequent years. The purpose of this fund is to provide support for Commission nexus activities including, a) research and writing on Constitutional nexus issues and b) a reserve for professional services to support work on potential nexus cases in litigation.

The Commission's executive committee authorized the Membership Development and Relations fund in the amount of $150,000 during the year ended June 30, 2000. The purpose of this fund is to support efforts aimed at increasing membership.

The Commission's executive committee authorized the Streamlined Sales Tax Project fund in the amount of $150,000 during the year ended June 30, 2001. The purpose of this fund is to support the development of the streamlined sales tax system.

The Commission's executive committee authorized the Cooperative Audit Study fund in the amount of $40,000 during the year ended June 30, 2002. The purpose of this fund is to evaluate the expansion of cooperative auditing among states.

5. Restricted Fund Balances

During the year ended June 30, 1988, the 4R Program was established whereby contributions received are restricted to use for supporting education, lobbying and legal expenses related to this property tax project. The purpose of the project is to provide for research activities as well as to seek favorable changes in Federal laws which are related to property tax restrictions of state and local governments.

During the year ended June 30, 1991, the National Nexus program was established. This program, funded by participating states, aims to encourage and secure taxpayer compliance with current state laws through a centralized taxpayer registration information service, a liability resolution process and information sharing among member states. The contributions received from the participating states are restricted for this purpose.

During the year ended June 30, 1999, the Deregulation project was established. This project provides technical assistance to help states adapt their tax policies to the deregulation of major industries, with an initial focus on electric utility deregulation. The contributions received from the participating states are restricted for this purpose.

6. TaxNetGovernmental Communications Corporation (TaxNet)

TaxNet is a separate corporation organized as a public charity and instrumentality of the states for the purpose of establishing, maintaining and administering an electronic communications network to allow subscriber access to tax information and communication with governmental tax offices. The corporation is managed by a board of directors, which includes, in accordance with its bylaws, the Chair, Vice Chair and Executive Director of Multistate Tax Commission.

Among other things, the Commission assisted in the formation of TaxNet by contributing legal services. The Commission continues to assist TaxNet by contributing other legal services. Such services have not been reflected separately in the accompanying financial statements, because such amounts are not material.

7. Deferred Compensation Plan

The Commission offers employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. In accordance with federal law, participants' deferred compensation under the plan is trusteed and thus shielded against the claims of the creditors of the Commission and therefore, not included in these financial statements.

The Commission believes it has no liability for losses under the plan but does have a duty of due care that would be required of an ordinary prudent investor.

Investments are managed by the plan's trustee under twenty seven investment options or a combination thereof. The participants make the choice of the investment option(s).

8. Allocation of Administrative Expenses

The administrative costs of providing the various programs and other activities have been allocated among the programs and supporting services, based on total operating costs.

9. Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of revenues and expenses during the reporting period, and disclosures. Actual results could differ from those estimates.

10. Concentration of Credit Risk

The Commission maintains cash balances in excess of $100,000 in a bank in the State of Colorado. The Commission is an eligible account holder under Colorado's "Public Deposit Protection Act of 1975". The purpose of the act is to provide protection of public moneys on deposit in state and national banks in Colorado and beyond that provided by the federal deposit insurance corporation and to ensure prompt payment of deposit liabilities to governmental units in the event of default or insolvency of any such banks.

Supplementary Information

Report of Independent Certified Public Accountants on Supplementary Information

Executive Committee
Multistate Tax Commission

Our audit was conducted for the purpose of forming an opinion on the basic financial statements for the year ended June 30, 2002, which are presented in the preceding section of this report. The schedule of expenses for the year ended June 30, 2002, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

September 17, 2002

MULTISTATE TAX COMMISSION

Schedule of Expenses

For the Year Ended

June 30, 2002

	Unappropriated and Appropriated Funds					
	General Expenses	**Audit Program**	**Administrative Expenses**	**Database Design**	**Federalism At Risk**	**Automation Plan**
Accounting	$ 7,800	$ -	$ 3,740	$ -	$ -	$ -
Bonds and insurance	-	-	14,074	-	-	-
Conferences	44,961	6,960	2,476	-	20,997	-
Professional services						
Legal and trustee services	535	-	24,705	-	-	-
Legislative	188,424	-	32	-	-	-
Special counsel	26,833	2,812	1,401	34,281	10,130	-
Depreciation and amortization	-	24,927	97,691	-	-	-
Employee benefits	76,784	235,821	109,569	-	-	-
Miscellaneous	500	2,430	9,605	-	5,082	-
Office supplies	3,433	29,544	21,676	-	5,909	(3,853)
Pension plan and retirement provision	56,214	159,016	57,801	-	-	-
Postage	5,589	10,608	18,003	-	428	-
Printing and duplicating	4,249	3,340	14,756	-	8,958	-
Computer communications	3,485	8,432	33,870	-	-	-
Recruitment	-	-	929	-	-	-
Rent	35,804	91,941	76,014	-	-	-
Repairs and maintenance	1,740	4,197	5,472	-	-	-
Salaries	478,559	1,285,862	489,043	-	-	-
Software licenses	-	-	-	15,702	-	-
Subcriptions, publications, dues	14,024	11,461	2,360	-	-	-
Telephone	47,197	35,212	13,353	-	653	-
Travel	88,396	185,207	24,215	-	16,786	-
MTC staff training	7,140	2,329	2,057	-	-	-
Transfer - training and education	-	(2,640)	-	-	-	-
Allocation of administrative expenses	271,274	537,437	(1,022,842)	-	-	-
Total Expenses	$ 1,362,941	$ 2,634,896	$ 0	$ 49,983	$ 68,943	$ (3,853)

				Restricted Funds			
Training and Education	Cooperative Audit Study	Nexus Education	Total Unappropriated and Appropriated Funds	Deregulation	National Nexus Program	Total Restricted Funds	Total All Funds
$ -	$ -	$ -	$ 11,540	$ -	$ -	$ -	$ 11,540
-	-	-	14,074	-	-	-	14,074
32,763	-	-	108,157	22	4,560	4,582	112,739
-	-	-	25,240	-	1,600	1,600	26,840
-	-	3,219	191,675	-	-	-	191,675
46,365	4,239	-	126,061	465	7,247	7,712	133,773
-	-	-	122,618	-	5,559	5,559	128,177
2,956	-	-	425,130	6,190	77,671	83,861	508,991
227	-	-	17,844	5,000	1,340	6,340	24,184
3,501	-	-	60,210	237	4,611	4,848	65,058
2,763	-	-	275,794	5,702	42,316	48,018	323,812
6,164	-	-	40,792	59	2,965	3,024	43,816
8,917	-	-	40,220	-	5,601	5,601	45,821
65	-	-	45,852	-	290	290	46,142
-	-	-	929	-	-	-	929
-	-	-	203,759	11,142	59,946	71,088	274,847
-	-	-	11,409	-	443	443	11,852
23,027	-	-	2,276,491	48,503	359,099	407,602	2,684,093
-	-	-	15,702	-	-	-	15,702
70	-	-	27,915	709	13,118	13,827	41,742
287	-	-	96,702	575	9,460	10,035	106,737
33,679	1,230	-	349,513	2,786	21,849	24,635	374,148
1,630	-	-	13,156	1,180	4,609	5,789	18,945
-	-	-	(2,640)	-	-	-	(2,640)
40,359	-	-	(173,772)	20,519	153,253	173,772	-
$ 202,773	$ 5,469	$ 3,219	$ 4,324,371	$ 103,089	$ 775,537	$ 878,626	$ 5,202,997